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# RESPONSE TO

# NATIONAL SECURITY STUDY MEMORANDUM #9

"REVIEW OF THE INTERNATIONAL SITUATION"

— AS OF 20 JANUARY 1969 —



Partially Declassified/Released on 10/3/96  
under provisions of E.O. 12855  
by J. Saunders, National Security Council

VOLUME II  
COMMUNIST CHINA

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THE INFORMATION CONTAINED HEREIN

IS IN RESPONSE TO

NATIONAL SECURITY STUDY MEMORANDUM

NUMBER 9

"REVIEW OF THE INTERNATIONAL SITUATION"

AS OF 20 JANUARY 1969

Declassified/released on 10/3/96  
under provisions of E.O. 12818  
by J. Greene, National Security Council

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I. POLITICAL SITUATION

1. What is the present state of the Chinese communist political apparatus and control following the cultural revolution? How strong is Peking's control over the regions? Is there any significant opposition to Mao and is a major move against Mao a possibility?

(C) Communist China's political machinery has been radically altered over the past 2 years, but centralized control, frequently under severe stresses during 1967-1968, has been retained through the use of the People's Liberation Army (PLA). It has become the only continuously functioning organization with sufficient nationwide power to maintain a semblance of order in the face of chaotic factional conflict across the country. Although the PLA is not itself entirely free of internal dissent, it remains the only element of stability and control available to Peking and probably will continue to occupy this role in the foreseeable future.

(C) Formerly, the Chinese Communist Party (CCP) exercised tight national controls through a well-developed bureaucracy reaching from the Central Committee and its Politburo down to country and village level. This apparatus is largely defunct. Less than one-third of the Central Committee is presently active in any significant positions of power. The Control Commission and Secretariat of the Central Committee seem to have suspended operations, and the many subelements of the Party at national level have also been suspended and/or heavily purged and reorganized.

(C) In the provinces, the Party bureaus and the government structures have both been replaced with the new "revolutionary committee" form of administration. The formerly complex bureaucratic structure has been drastically simplified and entirely subordinated to the revolutionary committees. Party rebuilding at the grass roots level is gradually under way, but this is being done within the framework of the new structures.

(C) In the national-level governmental bureaucracy, administered by Premier Chou En-lai's State Council, an extensive reorganization has been taking place. The size of the ministries has been drastically curtailed, both in terms

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I. POLITICAL SITUATION

1. (Continued)

of personnel and the number of subordinate bureaus and agencies. Moreover, most, if not all, of the ministries are being largely administered by "military control committees" composed almost entirely of active service military officers.

(S) The military machinery, unlike the Party and government, has been preserved intact. The Military Affairs Committee (MAC), Ministry of Defense, departments, service arms, and headquarters, and the 13 military region commands have all suffered from purges, perhaps exceeding 25 percent of the top leadership. (Many of these political victims were Party figures with concurrent military positions.) However, the organizations themselves have remained functioning with only one or two exceptions and the chain of command to the tactical units of the Army, Navy, and Air Force has been very carefully preserved. The most noteworthy change has been a perceptible centralization of authority under the MAC.

(C) With the decimation of the civil authority, the Armed Forces were called upon to fill the political void. This was undertaken mainly by the Army, which has established military control commissions throughout China within the government offices and the economy. Military officers also have played the predominant role in the provincial revolutionary committees. A large portion of the Army has been devoted to these civil, political, economic, propaganda, and social control functions. At the height of the Cultural Revolution, perhaps a million soldiers were involved in these activities. While presently lessening, military manpower absorption remains quite substantial.

(S) These new roles for the PLA were supervised largely through the party system within the military, headed by the MAC. In addition, the tactical chain of command, also in effect headed by the MAC, was frequently utilized in crisis situations. With only a few localized exceptions, these control methods, within the military, have performed well over the past 2 years. The existence of this command

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I. POLITICAL SITUATION

1. (Continued)

and control network enables the Peking leadership to exercise their authority effectively. While Mao and his Politburo are presently reduced to one complete chain of command rather than three, the control is well centralized and apparently quite adequate. As political reconstruction continues, especially following the 9th Party Congress (date uncertain), the Party and government will be strengthened, although it may be some time until the present predominant reliance on the PLA will no longer be needed. In the meantime, Politburo control over the Armed Forces through the MAC and the Party apparatus within the PLA seems quite firm.

(S) There is little danger at present of unwanted regional or provincial decentralization; the major reason being the above mentioned centralized military control network. Even during the height of the 1967 disorders, four powerful military region commanders were purged without redeployment of troops or other overt use of force (except on a minor scale following the Wuhan affair). The consolidation of the provincial revolutionary committees is apparently being closely supervised by Peking in terms of personnel selection for key positions. Meanwhile, the provincial military control committees remain as an additional watchdog element. Some troop redeployment now appears to be taking place on a small scale probably to relieve any tensions between the military units and the local population and to provide better control in the areas concerned.

(C) Regarding Mao's position, there seems to be little effective political opposition against him. His position as the national god-head and savior is entrenched. While visionary politics and economics had been blunted by the bureaucracy following the disastrous "Great Leap Forward" in the late 1950s, the Cultural Revolution has opened the road once more to Mao's version of Marxist-Leninist tenets, and many recent economic and social programs are reminiscent of the Great Leap. Thus, Mao's political power has probably increased over the past 3 years. However, the

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I. POLITICAL SITUATION

1. (Continued)

damage done to many aspects of society may limit his ability to effectuate his plans and programs.

(C) If Mao presses his utopian schemes too fast and too hard, resulting in another economic disaster, a curtailing of Mao's effective powers might again occur, although a coup in the classical sense would be extremely unlikely. It is also just possible that potential moves on Mao's part to reduce the military preponderance in the political arena could precipitate a crisis. Such a possibility, however, would require crude and offensive measures on Mao's part to alienate the leadership of the powerful MAC, led by heir designate and Defense Minister, Lin Piao.

(C) The heritage of the Cultural Revolution is one of bitterness, passivity, and frequent hardship - especially in the cities and towns. From the massive purges at the national level, through the destruction of grass roots organizations, practically all elements of society have been adversely affected. The political, social, and economic rebuilding tasks in the urban areas is immense, and even the first halting efforts are being badly shaken by the radical new economic and social programs emanating from Peking. The regime is in control, and Mao seems secure but the costs of the past 3 years certainly doom Mao's visionary hopes.

Additional References

National Intelligence Estimate 13-9-68, dated 23 May 1968,  
"Short Term Prospects in Communist China."

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## I. POLITICAL SITUATION

2. After Mao's death, what are the leadership prospects and who will control China? What are the prospects for a major change in Chinese policy after Mao's death?

(C) After Mao's death, the succession process is expected to be disorderly and contentious.

(S) Lin Piao is the present chosen heir, but he would face a severe test. It remains to be seen whether or not he has the political acumen or physical stamina to survive the tough in-fighting that is likely to follow Mao's death. His chances may depend to a great extent on whether he can continue to exercise tight control of the People's Liberation Army (PLA), particularly if at that time the party is still in a weakened state. Factionalism, based on personal rivalries and policy conflicts, has occurred in the army as it has elsewhere. However, Mao is now apparently attempting to reconstruct the party with a new party congress meeting scheduled for some time early this year.

(S) In the near term, Chou En-lai also is a figure to be reckoned with. His staying power and abilities are well known. More than any other present leader, Chou seems to have the versatility and skill to grasp the levers of power and steer the country toward more moderate policies. He too, however, would have to count on the PLA for political support. Indeed, it is possible that his survival thus far reflects a working arrangement between Chou and his government bureaucracy and some of the military leaders.

(S) It is possible that after a long period of domination by Mao, the political and military leaders would be inclined toward a greater measure of collective leadership. This tendency would probably be strengthened if Mao's excesses erupt again. In any case, considerable political maneuvering is likely, and almost certainly no single leader will assume the powers and wield the influence that Mao has had.

(S) The composition of the post-Mao leadership will, of course, have a great bearing on the direction of Chinese

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## I. POLITICAL SITUATION

### 2. (Continued)

policies. Once Mao leaves the scene, however, we believe that many of the uniquely Maoist dogmas and practices are likely to expire with him, not only because they have been discredited in the Cultural Revolution but also because they are not relevant to the emerging realities of the social and economic development. Indeed, the fact that the Cultural Revolution was necessary demonstrates that the perpetuation of Mao's revolution depends to a great extent on Mao himself. If Lin Piao gains power, we would still expect a movement away from the extremes of Maoist internal policies, but we cannot say how fast or how far this process would develop. In the near term, it might unfold gradually. If Mao stays on for some longer period, then the process might be much more rapid, particularly if unresolved internal and external problems have become aggravated during the last months or years of Mao.

(S) If the party is still enfeebled at the time of change, the army would probably assume a stronger role in policymaking. In our view, there is probably a cautious group within the PLA that would be inclined to find common ground with moderate political leaders. We would not rule out the possibility that the net result of the succession struggle could be the creation of a military regime in China.

(S) The various permutations in the resolution of China's political crisis cannot help but affect its foreign policy. However, we cannot predict with confidence how internal developments will bear on foreign affairs. There is no precedent in Communist China for a succession struggle. Stalinist analogies are tempting but perhaps misleading. Much might depend on what transpires while Mao remains in control. Finally, the world scene changes and creates new situations and problems.

(S) A prolonged succession struggle would probably concentrate attention on internal affairs, even more than has been the case during the Cultural Revolution. Thus, for some time, China's unremitting hostility toward the US and

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## I. POLITICAL SITUATION

### 2. (Continued)

USSR, accompanied by a more flexible policy toward the rest of the world, is likely to be the dominant theme.

(S) Beyond this, the most we can estimate is that the forces of change inside the country could, but not necessarily would, have the same effect on China's international conduct. That is, a more moderate internal policy might be accompanied by some relaxation of external tensions and some moves to reduce China's isolation. The last phase of Mao and the succession, however, will probably coincide with the growth of Chinese strategic capabilities. We are uncertain how the Chinese leadership expects to exploit this situation. As of now, we estimate that the sum total of the various political, economic, and military factors as well as international developments, will create pressures for adjusting Chinese ambitions and resources, as defined and expounded by Mao, to the realities of world politics.

(C) In short, Lin Piao has received a clear mandate as successor, but the prospects of his consolidating his position are uncertain. Lin might take over as "Chairman of the Board," with Chou En-lai as the Chief Executive. We foresee a stormy and possibly protracted period in which basic policy issues will fuel a fierce leadership struggle. At this stage, we are unable to say how the leadership might sort itself out. Much will depend on the balance of power which develops in the process of reconstructing a political order. Present trends suggest the military might play the central role in post-Mao China. Most importantly, much of Mao's revolutionary dogma is proving irrelevant to China's problems in the modern world. It is likely that the rejection of his doctrines, though not necessarily of communism in the broadest sense, will not take place immediately after Mao's passing. However, trends toward more practical programs will accelerate after his death.

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National Intelligence Estimate, NIE 13-9-68, dated 23 May 1968, "Short Term Prospects in Communist China."

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## II. CULTURAL AND ECONOMIC PROSPECTS

3. What effect did the cultural revolution have on the Chinese economy and what are its prospects? Is China facing a major food problem and what is it doing about agricultural and population control? What are its foreign exchange resources?

(S) The economy of Communist China suffered another series of setbacks in 1967 and 1968 because of the disruptive Cultural Revolution. These followed a period of recuperation from 1962 through 1966 from the disastrous consequences of the Great Leap Forward of 1959 and 1960.

(S) The Gross National Product for 1968 was probably some 109 billion yuan - about the same as for 1964, which in turn was only equal to the 1958 level. In broad terms the Chinese economy may have lost as much as 10 years growth because of its political and economic policies. Through all the economic distress the regime has been able to maintain a fairly stable per capita food consumption albeit with the help of increased imports financed with the country's very modest foreign exchange earning capacity. There is no sign that the importation of foodstuffs can be discontinued in the foreseeable future as a population growth of about 2½ percent annually offsets the likely growth in agricultural output. Avoiding an increase in import requirements is the most Peking should expect during the next few years.

(S) A program to redistribute the urban population to the countryside gathered momentum in late 1968 and is expected to continue. Goals of this program appear to include "purification" of the intelligentsia and bourgeois classes through manual labor, the decentralization of industry, reduction of unemployment in major cities, and establishment of an activity wherein former Red Guard members' energy can be safely dissipated. There are reports of widespread dissatisfaction among both rural and urban elements of the population with the program of forced relocation.

(S) Foreign exchange earnings are critical to China's future development, to support food imports as well as machinery necessary for the support of military programs and

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## II. CULTURAL AND ECONOMIC PROSPECTS

### 3. (Continued)

industrial investment. China's 1968 reserves of gold and convertible currencies are estimated to be about \$600 million - a slight decline from the beginning of 1967. The decline was largely caused by decreased exports due to economic difficulties and a slight rise in imports. Another unfavorable year in 1968 probably resulted in a further 10 percent reduction in exports. However, assuming termination of the Cultural Revolution in 1969, the balance of payments situation ought to improve with the regime being able to earn sufficient foreign exchange to import the necessary amount of food and some western machinery. There is no expectation of a significant change in the pattern of foreign trade. The preeminence of Free World trading partners rather than USSR and Eastern Europe, which developed after the Sino-Soviet break in 1960, will probably continue with Japan, the largest supplier of industrial products, and Canada and Australia, the major suppliers of food grains.

### Additional References

"Military Production in Communist China," dated July 1968,  
AP-450-1-2-68-INT, DIA

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### III. ARMED FORCES

4. What is the current strength and deployment of the Chinese Communist armed forces? Is it modernizing its conventional forces? How strong is its air defense?

(S) The Chinese Communist Army (CCA) has an estimated strength of 2,365,000. The CCA consists of 34 Army headquarters, 175 divisions, 126 independent regiments and miscellaneous troops. Included are 119 line divisions (108 infantry, five armored, three cavalry, three airborne), 21 border defense/military internal security divisions, 24 artillery divisions (15 field artillery, three antitank, six antiaircraft artillery), and 11 railway engineer divisions which are considered service support. Of the 126 independent regiments, 16 are line, 26 are border/internal defense, 17 are artillery, and the remaining 67 are engineer, signal, and service support. The CCA has an estimated 25,000 to 35,000 service support troops in North Vietnam. The Chinese Communist Army is continuing its efforts to modernize. All standard infantry units have probably been equipped with a modern family of small arms. Artillery units are still armed with the World War II family of weapons but the number of artillery pieces found in units is increasing. The Chinese communists are replacing older tanks with a domestically produced version of the Soviet T-54 tank. They have also begun the distribution of the PT-76 amphibious tank. The mobility of the CCA is still hampered by a lack of organic transportation in infantry units, but its firepower is increasing. The levels of heavy equipment (tank and artillery) that the Chinese Communist Army seems to be striving for probably will not be reached throughout the Army much before 1975.

(S) The Chinese Communist Navy (CCN), consisting of about 1,600 vessels, is organized into three fleets, North, East, and South Sea, to carry out its mission of defending the mainland from attack by sea. Its offensive capability is limited to the submarine force of 35 units based in the North and East Sea Fleets, and an aging force of amphibious vessels sufficient to lift two-plus infantry divisions. In addition to its submarine force, the main strength of the CCN lies in its large number of motor torpedo and motor

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### III. ARMED FORCES

#### 4. (Continued)

gunboats and a growing number of guided missile patrol boats. There is some imbalance in the strength of the three fleets. Probably because of the proximity of Taiwan, more motor torpedo and motor gunboats are deployed in the East Sea Fleet than in the other two; the South Sea Fleet is somewhat weaker in all types of craft. However, in the last two years an effort to build up its strength has been apparent. Some modernization of all elements of the CCN is taking place. "R"-class medium range submarines are being built, a new sonar system is being fitted to "W"-class units, and a program to develop a missile for the single "G"-class ballistic missile submarine is probably underway. Concerning surface forces, native-designed submarine chasers, hydrofoil-stabilized motor torpedo and motor gunboats, as well as conventional hull motor gunboats, are being built. Most significantly, "OSA"-class guided missile patrol boats are under construction, together with the surface-to-surface missiles for them. This missile is estimated to have a range of 22 nautical miles. An increased capability to support naval operations at isolated small ports and anchorages is being achieved by the construction of small tankers. However, the only construction of amphibious vessels taking place is of Landing Craft Mechanized (LCM). These are not suitable for deep-sea operations but are well suited for river transport within China.

(S) The Chinese Communist Air Force (CCAF) and Naval Air Force (CCNAF) have some 3,800 operational aircraft and a personnel strength of some 267,800. These forces are deployed throughout China in ten geographical air districts. The Chinese communists are continuing to modernize their conventional forces as illustrated by their production of the MIG-19/FARMER aircraft. In addition, we have recently confirmed an air-to-air missile production and estimate that they already have a limited number of these missiles. China's air defense strength continues to show improvement, but China could not cope with a major air attack and probably will not be able to do so for the next several years. The majority of its fighter force is committed to the air

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### III. ARMED FORCES

#### 4. (Continued)

defense missions and training is heavily oriented to the defensive intercept role. Radar sites have been deployed in coastal areas to provide continuous and overlapping coverage. The vast western area lags behind coastal deployment, though important installations are adequately protected by point defenses. In addition to fighters, antiaircraft artillery (AAA) and surface-to-air missile units are an integral part of China's air defense structure. AAA divisions (20 Air Force and six Army) are deployed along the entire coastline of China with heavy concentrations located at selected airfields, urban complexes, Army and Navy installations, nuclear-associated production areas, and along the North Vietnam border. Though the surface-to-air missile capability is limited, it now appears that the Chinese are emplacing their missiles as they become available from the factory and are concentrating them around such important areas as Peking and other strategic industrial complexes. There are currently 37 sites throughout China and up to 25 of them are believed operational.

(S/NF) The Chinese, initially supported by the Soviets, are pursuing a broad surface-to-surface missile development program. During the period of Soviet assistance, the Chinese communists were provided with some Soviet short range ballistic missiles and possibly some SS-3 missile technology. Early firings from Shuang-cheng-tzu Missile Test Center probably utilized Soviet missiles. Current efforts probably are using native models or ones based on Soviet missile technology of the late 1950s. The apparent frequency of missile firings at Shuang-cheng-tzu Missile Test Center seems to indicate that the Chinese may have conducted some troop training firings. If this is the case, preparation of field sites could already have begun. It is estimated that China could begin to deploy MRBMs (600-1,000 NM Class) during 1969. It is estimated that the deployment rate will be contingent on an initial hand production rate of two missiles per month and a later series production rate

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III. ARMED FORCES

4. (Continued)

of six missiles per month. If the Chinese initiate deployment of their MRBM to semi-hard positions, there will be little or no requirement for soft deployment.

Additional References

National Intelligence Estimate NIE 13-3-68, dated 1 August 1968, "Communist China's General Purpose and Air Defense Forces."

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### III. ARMED FORCES

S. What is the status of the Chinese communists' nuclear weapons program? What are the major problems and weaknesses? When will the Chinese communists be in a position to deploy nuclear armed ballistic missiles? What will be Chinese communist's nuclear strategy once it has a force in being? Will the Chinese communists be willing to enter into international arrangements to control nuclear weapons? and under what conditions?

(S) The Chinese are consuming more time in the development and production of modern weapons than previously seemed likely on the basis of their apparent progress several years ago. Some of this delay is almost certainly due to the disruptions and confusion of the Cultural Revolution. There is ample evidence not only of production and transportation delays throughout the economy but also of political disorders within key organizations involved in directing and operating the advanced weapons program.

(S) Nevertheless, China's missile and nuclear programs are moving forward. We believe that China possesses the capability to deploy a limited number of medium-range ballistic missiles (MRBM) of up to 1,000 nm range for the delivery of nuclear warheads of intermediate yields within the next year or so. This capability will be extended over the next few years. The Chinese may have a small number of intercontinental ballistic missiles (ICBM) as early as 1972. There is no evidence that China is developing or producing a long-range bomber capable of attacking continental North America.

(S) We estimate that the Chinese can now produce weapons configured for delivery by the small number of TU-4, TU-16, and IL-28 aircraft in their inventory.

(S) The Chinese are capable of carrying out the first flight test of a missile of ICBM size in 1969. It will probably be a two-stage tandem missile using liquid fuel engines. There are many factors which we have found difficult to assess that will affect the progress of this missile. Although ICBM development is undoubtedly a high priority program, lack of experience and technological depth will

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### III. ARMED FORCES

#### 5. (Continued)

probably necessitate a flight test program of 3 years or more. There is no evidential basis for estimating the accuracy and reliability of China's first ICBM. It is believed that they will fare considerably below present Soviet performance. An Initial Operational Capability (IOC) in early 1972 is possible, but it is likely to be later, perhaps even by 2 or 3 years. The nature and results of the early flight tests, once they are started, should permit a more confident estimate.

(S) Communist China may be developing a submarine-launched ballistic missile system for its "G"-class submarine which was designed to carry the 350 nm range Soviet SS-N-4 ballistic missile. It appears that this is a low priority program and it could be oriented primarily toward the development of technology for more advanced systems rather than to develop the "G"-class system for operational purposes. Such an advance system could involve a nuclear-powered submarine, but China probably will not be capable of developing such a boat before the late 1970s at the earliest.

(C) The Chinese nuclear tests - eight in all since October 1964 - show that China is emphasizing thermonuclear rather than fission weapons. So far, the Chinese have begun producing a few kilograms of plutonium. The use of this material will allow a reduction in size of their nuclear weapons and give them the flexibility required to design adequate missile warheads.

(TS) Based on their test programs and their known U-235 production facilities, the Chinese could already be producing a few (on the order of ten per year) low-yield fission warheads for delivery by MRBM or medium bomber. They could alternatively be making a very few (less than five per year) high-yield thermonuclear weapons for delivery by heavy bomber - but they do not appear to be developing a suitable bomber.

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III. ARMED FORCES

5. (Continued)

(S) Evidence is lacking on Chinese thinking with respect to the role of advanced weapons in their overall strategy. The present leaders probably believe that the successful development of strategic weapons would greatly enhance their prestige and strengthen their claims to leadership in Asia and their status as a great power. They would also hope that the possession of a strategic capability would give them greater security in supporting revolutionary struggles, particularly in Asia, and that it would serve to lessen the dangers of nuclear strikes on China itself for any reason. The Chinese may believe that the ability to strike the United States and targets in Asia with nuclear weapons would serve to limit US military operations in Asia, and to keep any direct confrontation at the level of conventional arms where the Chinese would expect to enjoy many advantages. Public statements continue to be couched in terms of defensive use and to affirm a policy of no-first use.

(C) The existence of a nuclear-armed China will figure prominently in the issue of arms control and nuclear proliferation in the near term because the solution to many security problems will have to take into account Chinese nuclear strength and responses to it by other states.

(S) Chinese possession of nuclear weapons, moreover, has increased the possibility of a desire for proliferation among other nations, particularly in Asia. It is possible, though very unlikely, that Peking would decide to help other nations to develop their own nuclear weapons or station Chinese nuclear weapons in another country with sufficient safeguards. But there is as yet no valid indication of Chinese intent in this regard. Chinese missile production initially will consist of surface-to-surface missiles and surface-to-air missiles, with the production of air-to-surface missiles being influenced by the availability of suitable launch platforms. If tactical nuclear missiles are produced, they will be for the Chinese Armed Forces. None is expected to be supplied to any other country.

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III. ARMED FORCES

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(S) It is expected that the Chinese will continue to ignore the 1963 partial nuclear test ban treaty barring all aboveground nuclear testing. This will permit them to continue their development of more sophisticated weapons. Free from the restraints of a nuclear treaty, they would have greater flexibility in pursuing a nuclear strike capability. The Chinese also oppose the nonproliferation treaty because they feel it constrains Chinese nuclear development; however, they might be willing to discuss it after they have a modest nuclear capability in operation, perhaps in the mid-1970s. At that time, they are likely to be interested in the prevention of war by accident or miscalculation. Similarly, they might want to discuss controls on conventional forces, once their military forces are more modernized, probably by the late 1970s.

(C) The Chinese might also bring up at any time four of their previous proposals concerning nuclear weapons: establishment of a nuclear free zone; no-first-use; prohibition and destruction; and prohibitions or restrictions on antiballistic missile systems. These are proposals which, if accepted, could reduce China's present nuclear inferiority to the two superpowers.

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Joint Intelligence Estimate for Planning, Vol. II, FY 1971 through FY 1978, Book III, Asian Communist Threat, dated November, 1968, Joint Chiefs of Staff.

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#### IV. FOREIGN RELATIONS

6. What is the current state and prospects for Sino-Soviet relations? Is a rapprochement possible and under what circumstances?

(S) Sino-Soviet relations have continued to decline over the last few years. Trade between the two countries, after an abrupt decline in 1961, has continued to fall. Trade in 1967 (the last year for which complete statistics are available) had fallen to 5 percent of the 1960 level. State relations have shown no improvement in recent years and party contacts no longer exist. Propaganda attacks have continued to be acrimonious. However, formal state relations still exist and it is unlikely that either side will be willing to initiate the drastic step of a final break. The Chinese have openly protested the Soviet build-up of military forces along the Sino-Soviet border and Soviet violations of Chinese airspace.

(C) The divergence of basic interests between the USSR and Communist China greatly inhibits the possibility of any meaningful rapprochement. Even a settlement of the Vietnam war, which has been a major source of controversy between the two countries, would not alter that divergence. Conflicting claims in other areas such as Korea and Mongolia, and competition for influence among the developing nations, will continue to have a divisive effect. Any real rapprochement would undercut the Chinese claim for the leadership of all Communist countries - a claim the Chinese are not likely to sacrifice for the sake of improving bilateral relations with Moscow.

(C) Although rapprochement is unlikely, this does not preclude adjustments in relations to reduce the likelihood of open military confrontation between the two nations, such as a decrease in border tensions.

(C) The most likely circumstance which would make genuine rapprochement possible would be a radical shift in Peking's leadership and political orientation. A new group of leaders, willing to set aside, at least temporarily, the Chinese competition with the Russians for the leadership of

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IV. FOREIGN RELATIONS

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international communism, could bring about a detente with the Soviet Union. However, Chinese ambitions and traditional feelings of cultural superiority would still tend to preclude a supine surrender to the Soviet Union in this vital area.

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ESAU XXXVI, "The Sino-Soviet Struggle in the World Communist Movement Since Khrushchev's Fall, (Parts 1, 2, 3)," dated September 1967, CIA.

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#### IV. FOREIGN RELATIONS

7. What are Chinese communist attitudes toward the United States? Will they try to make a deal with the United States at the expense of the Soviet Union? Are they really interested in peaceful co-existence with the United States and what would be Peking's conditions?

(C) Peking looks on the United States as the principal threat to its ambitions in Asia. It considers the US military presence on the Asian mainland and in the western Pacific as a major threat to Chinese national security.

(C) From the ideological point of view, the United States is also the leading "capitalist-imperialist" power that must be totally discredited to prove the correctness of Chinese doctrine. They believe that once the US presence is removed from Asia, the proximity of the overwhelming power of China will cause Asian governments to become increasingly susceptible to Chinese influence.

(C) Peking sees Moscow's past actions in regard to the United States as attempts to undermine Chinese efforts to achieve policy objectives, and to sacrifice Chinese interests for the sake of agreements with the United States. Such actions, the Chinese believe, can only perpetuate China's position of inferiority and help the United States frustrate Chinese ambitions.

(C) In Peking's view, then, whatever can be done to exacerbate differences between the USSR and the United States will further Chinese interests. However, much as they would like to prevent the development of a US-Soviet detente, the Chinese have little leverage they can exert in this matter, aside from propaganda. Further, a Chinese turnaround in its unremitting hostility to the United States would only serve Soviet propaganda purposes. After many years of Chinese needling, the Soviets would delight in pinning a "revisionist" and "capitalist" label on the Chinese for closer relations with the United States. It is unlikely that Peking will attempt to make a deal with the United States at the expense of the Soviet Union at this time.

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IV. FOREIGN RELATIONS

7. (Continued)

(C) We doubt that Peking will be really interested in peaceful coexistence with the United States in the foreseeable future. The Chinese leaders realize that for the present they do not possess the strength to drive the United States from the Far East by direct application of force. They are concentrating their efforts on changing the balance of power in the area. They will continue their efforts to stir up anti-US feeling and, wherever possible, try to undermine US alliances and military base agreements. We believe there will be little change in this hard line militance in the near term.

(C) For the present, the Chinese appear content to allow their relationship with the United States to continue as it is. They believe that China will, in time, gain from a gradual attrition of American position, a growth of dissension among the western nations, and a steady emergence in the underdeveloped nations of forces friendly to China and hostile to the United States.

(C) How long Peking intends to keep Sino-American relations frozen and stalemated is not clear. Peking may be willing to settle some differences and adopt a less aggressive attitude if it believed these would be to China's benefit. But the asking price is likely to be high. Ultimate terms would probably include the withdrawal of US military forces from Taiwan and other Far Eastern base areas, formal recognition of Communist China and acceptance in the United Nations. We can expect any attempted negotiation to be slow and difficult.

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Joint Intelligence Estimate for Planning, Vol. II, FY 1971 through FY 1978, Book III, Asian Communist Threat, November 1968, Joint Chiefs of Staff

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#### IV. FOREIGN RELATIONS

8. What is the nature of the Chinese communist threat to Asia? Is Peking likely to engage in conventional and/or nuclear attacks against its neighbors? What are the principal deterrents to such attacks? How much support is Communist China giving to subversive and insurgency movements in the region? How much support is it likely to give in the future? What role is China playing in Laos and Thailand?

(C) From an analysis of Chinese objectives and their implications, it is clear that China is playing a long-term power game. The Chinese are attempting to fill the power vacuum in Asia which remained after the collapse of Japan at the end of World War II. The main thrust of their foreign policy is to extend Chinese influence in efforts characterized by revolutionary fervor. The Chinese objectives of Asian hegemony and communist revolutions are at cross purposes with the US aims of preventing any nation from dominating Asia and of supporting free governments. China has come into direct conflict with the United States in Korea. The possibility of another war with the United States, or possibly with the Soviet Union remains.

(C) To counter what Peking perceives as Soviet-US domination, the Chinese are developing a strategic nuclear capability, modernizing their Armed Forces on a selective basis, encouraging subversion and insurgency in underdeveloped countries where such action could strengthen Peking influence, and is gradually receiving broader international recognition.

(S) The Chinese have been extremely cautious about committing their military forces outside their own borders and give little indication of actually seeking additional territory. The Chinese have limited their military thrust to situations directly involving their basic national interests rather than their revolutionary aspirations. On balance, we believe that the Chinese are likely to seek to establish their influence as a world power and their hegemony in Asia through political and psychological pressures backed by a local preponderance of military force. Peking will probably utilize diplomatic pressure and promote revolutionary

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IV. FOREIGN RELATIONS

8. (Continued)

causes and communist insurgency rather than use conventional military forces or missile and nuclear forces. Peking will not deliberately undertake any acts leading to a serious, direct, military confrontation with the United States or USSR. China would put up a strong military defense of its immediate interests on the mainland, however, if these were jeopardized. If its own borders were threatened, or if the existence of the communist regimes in North Vietnam or North Korea were seriously endangered, for example, the Chinese could be expected to react with overt military force.

(C) The chief constraint on the application of Chinese military power is the US presence in Asia. The Soviets, with strong ideological antagonisms, great military power, and a common border, also provide a critical constraint. China cannot hope to neutralize either nation by direct military attack.

(C) Internally, the Chinese are severely limited in their economic and technological resources, by comparison with the two superpowers. If they try to move too fast or too soon to acquire weapons, they will not be able to build up an economic base. This will make it difficult, if not impossible, to achieve great power status, much less parity with the United States or USSR.

(C) While revolutionaries, inspired by China's success, have tried to apply the Chinese model in several countries, such efforts have met with success only in Southeast Asia. It is there, where China's proximity and military capabilities to act are great and where the risks are still not prohibitive, that Chinese-inspired insurgency operations have the greatest chance for success.

(S) Peking now seems to be playing a larger and more direct role in stirring up guerrilla activities in Burma and Thailand than it ever did in South Vietnam. This might be a partial Chinese response to the massive US intervention in the Vietnam conflict. It might also be a warning to other noncommunist countries on China's periphery to avoid

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IV. FOREIGN RELATIONS

8. (Continued)

a pro-US stance or face increased pressures from China. In any event, we expect continued Chinese support of insurgency in Burma, Laos, and Thailand. In other nearby areas, such as the Philippines, Indonesia, Malaysia, Singapore, and the Indian border regions from the Naga Hills to Kashmir, the degree of direct Chinese insurgency support will largely depend upon how rapidly, if at all, poor internal conditions and weak leadership ripen these countries for revolutionary exploitation.

(S) The Chinese have indicated a readiness to firmly support local struggles, and their capability will increase as China grows in strength. Peking has been careful to emphasize, however, that the local revolutionary efforts must be essentially self-generated, and can expect little direct Chinese personnel support. As a matter of policy, Peking is not expected to deploy combat units in support of insurgency movements, unless the security and survival of mainland China itself is threatened.

(C) The Chinese, together with the North Vietnamese, are putting insurgency pressure on Thailand. The Thai insurgency movement is strongly influenced by Peking; its original leaders were Thai-born Chinese.

(C) Through its strong influence over the Thai Communist Party, some of whose leaders are in Peking, China has the paramount voice in policy matters concerning the Thai insurgency. Hanoi's influence stems from its guerrilla training program and other support.

(S) Despite many serious handicaps, it is probable that the insurgency in Thailand will persist - and even increase in intensity over the next 2 years or so. The persistence of the insurgency will depend heavily on Peking for continued overall direction and the training and dispatch into Thailand of limited numbers of Thai nationals. China's leaders will not be greatly deterred by setbacks in Thailand. Peking has accepted a modification of insurgent tactics, and is emphasizing terrorism and the avoidance of

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IV. FOREIGN RELATIONS

8. (Continued)

military confrontation. There is little chance that Mao's doctrine of armed struggle in such rural areas will be abandoned in the near future.

(C) China's concern in Laos is to insure a friendly regime on its border and to preclude a further expansion of the Vietnam war to that country. To these ends, Peking, as a signatory, has failed to support the 1962 Geneva Accords although it maintains an embassy in Vientiane, and ostensibly supports a coalition-type government there. At the same time, Peking has provided logistical support to the Pathet Lao and has continually sent its military forces into northwestern Laos to deliver some military materiel to the Pathet Lao/North Vietnamese Army forces in that area. Moreover, Peking has not lived up to its obligations under the Accords to help pay the costs of the Laotian International Control Commission.

(S) On the other hand, Peking understands that as long as there is an active war in South Vietnam, peace in Laos cannot be consolidated. Thus, as a hedge to the possibility of an increased US military presence in Laos, Peking has strengthened its defensive military posture along its southwest border opposite Laos, supported the political-military goals of the Pathet Lao, and has recently resumed road construction in northwestern Laos to support communist insurgency there from Yunnan Province. The Chinese may also want to be included in any future Laotian peace talks and their presence in northwestern Laos may be a military lever for such an eventuality.

(C) In any event, we expect continued Chinese exhortation and advice to the Pathet Lao as well as logistic support. We also expect continued Chinese determination to safeguard its own national security interests in Laos if these are threatened.

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IV. FOREIGN RELATIONS

8. (Continued)

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IV. FOREIGN RELATIONS

9. What is the nature of the Chinese communist relations with Hanoi and the National Liberation Front (NLF)? Will the Chinese communists seek to participate in any large Vietnam negotiations?

(C) At present, relations between North Vietnam and China are cool, though correct.

(S) Peking and Hanoi continue to have a fundamental congruence of interests in bringing about the fall of the Government of South Vietnam, withdrawal of US Forces from the south, and establishment of a regime in Saigon that will not be under US control or predominant influence.

(S) Nevertheless, latent differences in their approach have become acute during the course of the Vietnam war. Divergences between Peking and Hanoi have become sharp over issues such as the best choice of political and military measures for exploiting disunity and turmoil in the south, and over estimates of the capability and intentions of the US and the USSR. Some factional differences in both capitals may have further complicated the relations.

(S) Aside from the continuing difficulty occasioned by Hanoi's attempt to remain neutral in the Sino-Soviet dispute, and the question of the extent and security of Chinese and Soviet aid to North Vietnam, the most vexing issue to the Chinese has been the timing and conditions for negotiations. While the Chinese have disapproved of Hanoi's military strategy and have worked hard to prevent peace negotiations, Peking lacks sufficient influence in Hanoi to block full-fledged negotiation of a settlement. Should Hanoi accept a cease-fire, Peking would disapprove but would have to accept Hanoi's decision. Peking is not willing to provoke an open break with Hanoi over the Paris talks.

(C) Chinese relations with the NLF are cordial.

(C) Since the establishment of an NLF mission in Peking in September 1964, the Chinese have treated the NLF delegation as the quasi-legal head of a government. In

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#### IV. FOREIGN RELATIONS

##### 9. (Continued)

December 1967, the NLF mission in Peking was elevated to "equal status" with foreign embassies, and an NLF delegation was accorded great prominence during its visit to China on the occasion of the NLF's founding anniversary. After the Tet offensive in 1968, Peking's mass media boosted Vietnam coverage to unprecedented heights. There has been some speculation that the Chinese at this juncture were pursuing a policy of strengthening ties with the NLF in order to drive a wedge between the NLF and Hanoi. This presupposes a greater independence of action for the NLF than seems justifiable. Peking's identification with the NLF was primarily a matter of endorsing the military strategy conceived by the Lao Dong Politburo.

(C) The NLF staff in Peking has been very much in evidence on the political and social scene. The NLF mission continues to express gratitude for Chinese support to the National Liberation Front South Vietnam and praise for the Chinese system.

(S) There is no evidence to suggest Chinese advisors or troops are in South Vietnam with the Viet Cong.

(S) We believe that Chinese opposition to the Vietnam negotiation stems from their assessment of the probable effects of the outcome on China's national goals.

(S) We believe also that the Chinese might participate in an enlarged conference on Vietnam, if invited, especially if the Peking leaders thought they could influence the results. The Chinese would seek to accomplish several objectives such as offsetting any salutary effect on US-Soviet relations, blocking the creation of a coalition against Chinese long-range objectives in Southeast Asia, and dampening any repudiation of the Maoist revolutionary line by the N.C. and V. in names. Some clues to China's intentions might be revealed by future propaganda shifts designed to prepare the way for an explanation of successful negotiations.

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